

Testimony for the Ohio Senate Finance Committee
Dr. Philip Wagner, Superintendent and Todd Griffith, CFO/Treasurer
Licking Heights Schools
Testimony on House Bill 110
June 3, 2021

Chairman Dolan, Vice-Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee, good morning. My name is Dr. Philip Wagner and I am the Superintendent of Licking Heights Local Schools and am joined by our CFO Todd Griffith. We are offering testimony in response to the Senate's school funding formula released Tuesday, June 1.

To provide greater context for our school district, we are extremely fast-growing with a current enrollment of nearly 4,800 students. This is my tenth year as superintendent and during this time student enrollment has grown from 3,300 students to 4,800. Our fast growth, combined with the state funding gain cap and expansion of private school vouchers, adversely impacts our student classroom experience. As an example, many of our kindergarten classrooms are at 28 students per class, and our ELL population ranks seventh-highest in the state. As our district grows so quickly, it is becoming more diverse in many ways, including:

- 46.2% of our students are on the free and reduced lunch program.
- 16.3% of our students are ELL and more than 30 languages are spoken in the school district
- 45% White, 28% Black, 15% Asian, 5% Hispanic, 7% Multiracial
- Licking Heights' State Share Index is 56%
- Enrollment has grown by 330% over the last 20 years.

In recent years, Licking Heights has been strangled by the state funding gain cap. We have tried to help the school district function with less reliance on state aid. In many respects, changes to the employee insurance plans and the stimulation of community economic development have helped, but such efforts are not large enough to surmount the impact of the gain cap with such a fast-growing school district. The majority of our student growth and population change has occurred within the past decade.

Due to the state funding gain cap, we have lost \$72 million over the last eight years. In fact, this year alone the gain cap cost our students and community more than \$12 million. Licking Heights receives less than 50% of what the state funding formula calculates, which continues to hurt our long-term financial strategy. We have the highest property tax rates in Licking County and much of that is due to the fact that we recently built our fourth new school building in 17 years, which amounts to over \$100 million in debt we still have to service.

We are one of the fastest growing districts in the State of Ohio and continue to grow rapidly. In fact, current projections for 2030 conservatively show our school district growing to more than 6,200 students. It is hard to fathom such rapid growth as we approach astronomical deficits, with no relief in state funding. Because of the gain cap, we will need to make deep cuts to our budget and continue to increase student to teacher classroom ratios. We already rank second-lowest in per-pupil expenditure in the state, while educating each and every child, regardless of ability, in accordance with all state and federal mandates.

Through the years, our community fully supported the Fair School Funding Plan, along with a significant majority of Ohio public schools. To see it cast aside is frustrating for our board of education, staff and community. The Senate’s version of the budget bill continues the inequities of our last two budget cycles. It appears that there is no substantial path to correct the last decade of capped school funding. Year after year the state funding models have failed our students. The Fair School Funding Plan emphasizes equity and equality.

Our students have suffered from some of the largest class sizes in the state. We have lacked resources to offer an equivalent education to similar school districts. Additionally, we do not support increasing nonpublic school funding.

We leave you with a comparison between our district and a neighboring school district, Southwest Licking, which shares the City of Pataskala with Licking Heights. The proposed new funding model is devastating and unclear when a school district with fewer students is still provided nearly \$5 million more in state funding per year.

	Licking Heights Local School District	Southwest Licking Local School District
Enrollment FY20	4,855	4,578
% of Disadvantaged Students FY20	46.2%	30.3%
% Of Students With Limited English FY20	14.7%	3.9%
Class I Effective Tax Rate	46.68	33.91
\$ Change FY21-FY22	944,647	1,226,031
% Change FY-21-FY22	8.70%	8.10%
Proposed Per Student Increase FY22	194.56	267.82
Total State Revenue FY21	10,877,944	15,210,013

This concludes our testimony and we are available to address your questions. Thank you for your time and attention.

Philip H. Wagner, Ph.D.
Superintendent

Todd Griffith
Treasurer/CFO